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AGREEMENT

Between

**United PARADYNE
Corporation**

And

**International Brotherhood of
Teamsters Local 957**

At the

FUELS DISTRIBUTION SUPPLY PROJECT

Wright Patterson Air Force Base, Ohio

"Team Wright Patterson"

Effective October 1, 2003

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**UNITED PARADYNE CORPORATION
and
TEAMSTERS LOCAL UNION NO. 957**

PREAMBLE

THIS AGREEMENT made and entered into on October 1, 2003 by and between **UNITED PARADYNE CORPORATION**, Wright-Patterson Air Force Base, Fairborn, Ohio, hereinafter referred to as the 'Company' or 'Employer,' and **Teamsters Local Union No. 957**, an affiliate of the International Brotherhood of Teamsters, hereinafter referred to as the 'Union' or the 'Contracting Union'.

Whereas, the parties hereto desire to establish a standard of conditions under which the employees shall work for the Company during the term of the Agreement, and to provide for rates of pay, hours of work and other conditions of employment for such employees to the end that their mutual relations may be regulated with a view of securing harmonious cooperation and to provide the procedure for the prompt and equitable adjustment of all grievances and disputes that may arise during the life of the Agreement.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein contained, the parties agree as follows:

ARTICLE I

RECOGNITION

Section 1. The Company hereby recognizes the Union, pursuant to Section 9(a) of the Labor Management Relations Act of 1947, as amended, as the exclusive representative for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment for all employees in the Unit as set forth by the National Labor Relations Board in Case No. 9-RC-14309.

Section 2. The Unit certified by the National Labor Relations Board as Case No.9-RC-14309, is as follows:

INCLUDED: All Fuels Specialist personnel employed by the Company at Wright Patterson Air Force Base, Fairborn, Ohio.

EXCLUDED: All office clerical employees, all professional employees, guards, lab technicians and supervisors as defined in the Act.

ARTICLE II

MANAGEMENT RIGHTS

Section 1. The Union acknowledges and agrees that the Company shall have the exclusive right and authority to administer and/or manage the Company's business, and that all rights and prerogatives of management are retained exclusively by the Company, without limitation, except as specifically modified by valid, applicable law or by the express and clear terms of this Agreement.

Section 2. Without attempting to list herein all the Company's rights of management, the right and authority of the Company shall include among other rights, the right to exclusively direct the employees; the right to assign and transfer employees; the right to determine the starting and quitting times, number of hours to be worked and the right to assign and require that overtime and/or callbacks be worked; the right to make, promulgate, change and enforce employees work and safety rules, regulations, policies and practices; the right to discipline and discharge employees for cause; the right to expand, sell, transfer and/or terminate all or part of its operation; the right to determine the number of employees needed at any job; the right to plan, direct, and control operations; and the right to judge each employee's ability, fitness, competence, and overall contribution to the Company's operation.

Section 3. This agreement is the entire and complete agreement between the Company and the Union, and any prior oral or written understanding, whether by past custom and practice or otherwise, which is not incorporated in this written Agreement, shall be null and void and shall be of no effect and shall not be binding on either the Company or the Union.

Section 4. The Union agrees that it has no right to arbitrate Employers decisions or actions which are consistent with this provision, unless such decision or action is reasonably subject to the claim that is in direct conflict with another specific provision of this Agreement.

ARTICLE III

UNION-COMPANY COOPERATION

Section 1. The Union recognizes the need for improved methods and output in the interest of the employees and the business and agrees to cooperate with the Company in the installation of such methods, in suggesting methods and in the education of its members in the necessity of such changes and improvements. The Union also agrees to cooperate in correcting inefficiencies of employees who might otherwise be discharged.

Section 2. The Company recognizes the right of the Union to designate one (1) Steward and two (2) alternate stewards to handle such Union business as may, from time to time, be delegated to them by the Union. The steward must be a full-time employee covered by this

Agreement. When the Union Steward is changed, the Union will furnish the Company with the name of the Steward in writing within ten (10) days after the change, and no Union steward shall function as such until the Company is notified of his or her appointment or selection by the Union.

Section 3. Any official Union representative may request permission of the Company to come on the Company's premises for the purpose of investigating grievances or for the purpose of attending meetings with the Company; provided, however, such Union representative shall request and secure prior permission from the Company's Project Manager, or his designated representative, and such approved visits will not interfere with the operation of the Company's business or the interests of the United States Government.

ARTICLE IV

INDUSTRIAL PEACE AND PROTECTION OF RIGHTS

Section 1. During the term of this Agreement, the Union will not permit, sanction, call, acquiesce, or engage in any strike, sympathy strike, wildcat strike, sit-down, slow-down, picketing or any other kind of work stoppage or interference with or against the Company, directly or indirectly, or against any other person or entity at the Company for any reason.

Section 2. During the term of this Agreement, the Union shall not establish a picket line against the Company for any reason at any of the Company's places of business, nor shall any employee refuse to cross or work behind any picket or strike line of any union or other organization, including the Union signatory to this Agreement. Furthermore, during the term of this Agreement, the Union agrees that it will not, directly or indirectly, picket or handbill any of the Company's customers because of a dispute with the Company.

Section 3. The Company and the Union agree that it is the intent of this Agreement to prohibit, outlaw and make illegal, any kind of strike, sympathy strike, work stoppage, slow-down or picketing, regardless of the type and regardless of the reason that such action or inaction is taken. The Union shall have responsibility for making sure that any and all such conduct shall not take place during the term of this Agreement, and the Union shall have the legal responsibility for taking immediate action to see that any such action or inaction is immediately terminated. Should the Union violate any provision of this Article during the term of this Agreement, the Company reserves the right to seek immediate redress in the appropriate court having jurisdiction. The Company will not be required to arbitrate or otherwise process the matter through the Grievance and Arbitration procedure of this agreement.

Section 4. During the term of this Agreement, any employee who participates in any strike, sympathy strike, sit-down, slow-down, picketing, refusal to cross a picket line, or any other work stoppage or interference with or against the Company, directly or indirectly, or against any other person or entity at the Company for any reason, may be discharged by the Company, and only the question of such employee's participation, or non-participation, shall be subject to review under the Grievance and Arbitration Procedure outlined in this Agreement. Provided, however, no arbitrator shall have the right to reduce the penalty or discipline

imposed by the Company if it is found that the employee or employees participated in such conduct.

Section 5. During the term of this Agreement, the Company agrees not to lockout employees, provided, however, that the discharges, suspensions, layoffs or reductions in force shall not be considered to be lock-outs.

ARTICLE V

CONTRACT MATTERS

Section 1. If any part of this Agreement is rendered or declared invalid by reason of any existing or subsequently enacted legislation, valid governmental regulation or order, or by decree of a court of competent jurisdiction, or does not conform with the Service Contract Act, the invalidation of such part of this Agreement shall not affect or invalidate any of the remaining parts hereof, and the same shall continue in full force and effect.

Section 2. The Company and the Union acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at between the Company and the Union after the exercise of that right and opportunity are set forth fully and completely in this Agreement. Therefore, the Company and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered by this Agreement, even though such subject and matter may not have been within the knowledge or contemplation of either or both the Company and the Union at the time they negotiated or signed this Agreement.

ARTICLE VI

UNION SECURITY

Section 1. All present employees who are members of the Union on the date of the signing of this Agreement shall remain members of the Union in good standing as a condition of employment. All present employees who are not members of the Union and all employees who are hired hereafter shall become and remain members in good standing of the Union as a condition of employment on and after the thirty-first (31st) day following the employees date of hire, whichever is the latter. This provision shall be made and become effective under the provisions of the National Labor Relations Act, but not retroactively.

Section 2. The Employer agrees to deduct from the pay of all employees covered by this Agreement, the dues, initiation fees and/or uniform assessments of the Union having jurisdiction over such employees and agrees to remit to said Union all such deductions, prior to the end of the month for which the deduction is made. Where laws require written authorization by the employee, the same is to be furnished in the form required. No deduction

shall be made which is prohibited by applicable law. Where an employee who is on the check-off is not on the payroll during the week in which the deduction is to be made or has no earnings or insufficient earnings during that week or is on leave of absence, the employee must make arrangements with the Union to pay such dues in advance.

Section 3. The Employer will recognize authorization for deduction from wages, if in compliance with State law, to be transmitted to the Union or to such other organizations as the Union may request if mutually agreed to. No such authorizations shall be recognized if in violation of state or federal law, and no such deductions shall be made which are prohibited by applicable law. The Union Steward will obtain check-off authorizations from new employees authorizing the deduction of Union dues and assessment fees. After obtaining the authorizations, the Steward will give the authorizations to the Project Manager. The initiation fee is currently \$125 and monthly dues are two times the hourly rate of pay (without fringe benefits such as health and welfare and without shift differential pay) rounded to the nearest dollar. The employee can pay the initiation fee up front, have Employer deduct it from his first paycheck or have the Employer deduct the fee over a period of up to three pay periods (represents six weeks). Dues are taken out of the first two pay periods in a month in equal amounts. All Union members, whether full time or part time, are required to pay the initiation fee plus the monthly dues. If a part time Union member does not work any during a month, he can receive a withdrawal card for \$.50 from the Union. The Union Steward has this information and can give a description of these benefits.

Section 4. The Union shall indemnify and save the Employer harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Employer for the purpose of complying with any of the provisions of this Section, or in reliance on any list, notice or assignment furnished under any such provisions.

ARTICLE VII

EMPLOYEE DISCIPLINE AND EMPLOYEE ATTENDANCE

Section 1. The Company retains the management rights to discipline an employee for just cause.

Section 2. Before disciplinary layoff or discharge of an employee is made final, the employee and his or her Union representative will be advised of the charges against the employee. The employee and his or her Union representative will be given the full opportunity promptly to present any defense to such charges. An employee may be temporarily suspended from work pending the completion of the investigation, but, if upon completion of the investigation it is determined that no layoff or discharge penalty should be imposed, the employee will be paid for any time lost from regular work during such suspension.

Section 3. Upon completion of the investigation, the Company will make discipline effective without delay and by written notice to the employee with a copy promptly furnished to the authorized Union representative and with a copy promptly mailed to the office of the employee's Union. If the employee or the Union feels that the action is not justified, claim for unjust discipline may be made and appealed in the manner provided in the grievance and arbitration articles of this collective bargaining agreement.

Section 4. An employee proven to have been suspended from work or discharged without just cause will be returned to his or her former position and will be paid for all time lost or granted such other relief as may be agreed upon by the employee's Union and the Company or determined by an arbitrator in an arbitration procedure under this collective bargaining agreement.

Section 5. Dishonesty, or drinking or being under the influence of alcoholic beverages or drugs while on duty, or drinking of alcoholic beverages on Company property, recklessness resulting in a serious accident while on duty, or the transportation of unauthorized personnel in Company operated vehicles shall be cause for immediate termination.

Section 6. The Company will furnish to each employee and to the Union a copy of the revised Rules of Conduct for Employees. The Company considers that none of the provisions of such revised Rules of Conduct are in conflict with any of the provisions of this Agreement and that such Rules are reasonable and necessary for safe, effective and efficient operation. The Company reserves the management right to amend such Rules of Conduct in the future upon the Company's determination that such amendments are reasonable and necessary for the safe, effective and efficient operation of the facility and operations, but no such amendment may be contrary to any of the terms of provisions of this Agreement. The contracting Union reserves the right to protest through the Grievance and Arbitration Procedure in this Agreement to reasonableness, the interpretation or the application of such Rules of Conduct. By executing this Agreement, the contracting Union does not waive its right to contend that a provision in such revised Rules of Conduct, or any amendment thereto, is contrary to this Agreement, that is unreasonable, that the Company has improperly interpreted such provision or that the Company has applied such provision in an arbitrary or unreasonable manner. In no case shall imposition of penalty provided in a written Company rule be deemed arbitrary or capricious.

Section 7. The Company needs every employee working as required to insure that production and customer service are maintained. All employees scheduled for work and finding it necessary to be absent from work shall notify the Supervisor/Leadperson on duty as soon as possible but no later than one (1) hour before the scheduled term. An employee must report and state the reason for his or her absence each day that he or she is absent. In the event the Supervisor or Leadperson is not available, the employee will contact the Resource Control Center.

Section 8. Unless the Company reinstates an employee for good cause, the employee will be terminated or disciplined for unexcused or excessive absences as follows:

- (1) Unexcused absences on three (3) consecutive workdays, in which event the employee will be deemed to have voluntarily resigned.
- (2) Unexcused absences on four (4) workdays during any four (4) month work period, or
- (3) Excessive unexcused absences or tardiness, where, in the Company's opinion, such absence or tardiness interfere with the orderly operation of the Company's business or cause other employees or supervisors disciplinary problems if such employee has been given prior warning in writing.

- (4) Disciplinary hearings will be scheduled on Union Steward's shift if practical. Stewards will have access to a telephone.

Section 9. While an employee is required to give prior notice of absence if possible each workday by telephone to the Leadperson/Supervisor on duty, such contact will not excuse an unexcused absence from possible disciplinary action. In the event the Supervisor or Leadperson is not available, the employee will contact the Resource Control Center.

Section 10. It is agreed by the Union and the Company, that even though an employee does not have sufficient absences or tardiness to merit termination or discipline, the Company will be entitled nevertheless to consider the employee's attendance and overall work record for purposes of promotion.

Section 11. In all disciplinary actions requested by the Company, the Steward shall be present and paid for all time. All write-ups shall be copied to the Union and the Steward. The Company shall cooperate fully in the settling of grievances by allowing the Steward access to the telephone, copier, etc., in the investigation of said grievances.

ARTICLE VIII

MOST FAVORED COMPANIES

The Union agrees in the event it hereafter maintains or enters into any understanding, contract or agreement, whether written or oral, with any other employer engaged in the same or similar industry in the states of Ohio, Michigan, Indiana, Kentucky, West Virginia or Pennsylvania which contains any provisions with more favorable terms or conditions, economic or non-economic, than those negotiated with the Company in this Agreement, the Company, at its option, immediately shall have the benefit of any such terms and provisions as of the effective date thereof. The Union agrees that it will notify the Company forthwith in writing upon the execution of any such agreement and deliver a copy of any such agreement to the Company and its attorney and that the Company, with the Union's agreement by reason of the execution of this Agreement, shall be entitled to immediately effectuate any such contractual term or provision.

ARTICLE IX

EQUAL EMPLOYMENT OPPORTUNITY

Section 1. Both the Company and the Union agree that no employee will be discriminated against because of his or her race, color, national origin, religion, creed, ancestry, age, sex or sexual orientation.

Section 2. No employee will be discriminated against because of his or her age, his or her being handicapped, his or her being a Vietnam ERA veteran, or his or her being a disabled veteran, in violation of the applicable Federal Statutes covering these matters.

Section 3. The contracting Union agrees that it will promptly notify the Company in writing of any claim which it may have that the Company has engaged in employment discrimination against any employee of race, color, national origin, religion, creed, ancestry, age sex or sexual orientation.

ARTICLE X

GRIEVANCE AND ARBITRATION PROCEDURE

Section 1. It is the intent of this Article to establish means for the prompt adjustment of grievances at the job level at a conference between the immediate supervisor and the employee involved. For purposes of this Article, a grievance under this Agreement is defined as a written statement by either an individual employee, by the Union or by the Company claiming a violation of an express term or provision of this Agreement. This Article is intended by the parties to provide the exclusive method for settling disputes arising under this Agreement. However, should the Union and/or Company violate the Industrial Peace and Protection articles of this Agreement, the Company and/or Union shall have the immediate right to bypass this Grievance and Arbitration Procedure to seek immediate injunctive and damage relief from the appropriate Court, whether State or Federal.

Section 2. All such grievances will be documented by note from the Supervisor with date, time and signature and must be raised within five (5) working days of learning of the alleged violation of the contract and shall be handled in accordance with the following procedures

Step 1. The employee involved shall first confer with his or her immediate supervisor within five (5) working days of learning of the alleged violation or the event complained of; with or without a steward in order to amicably settle the matter. All parties must actively and diligently attempt to resolve all employment related issues at the first step.

Step 2. Should the grievance not be satisfactorily settled by the discussion outlined in Step 1 above, the Union and/or the employee involved shall submit the grievance in writing to the Company within five (5) working days from the conclusion of Step 1, and this written grievance thus presented must contain the full and complete factual basis of the Union's and/or the employee's claim as known at the time, and the provision and/or provisions of the Agreement applicable. Within ten (10) days from the time that the Union and/or employee submits the

written grievance, the Project Manager shall meet with the Union's local business representative or designee and/or the employee and they shall make every effort to settle the dispute.

Step 3. If the above procedure has been followed and the grievance remains unsettled, the parties shall mutually, in writing, within ten (10) days from the conclusion of Step 2, request the Federal Mediation and Conciliation Service to submit a list of seven (7) arbitrators from which the Company and the Union shall try to choose a mutually agreeable arbitrator to decide the controversy. If the parties are unable to agree upon an impartial arbitrator from that list, the parties shall again mutually in writing, request the Federal Mediation and Conciliation Service to submit a second list of seven (7) different arbitrators from which the Company and the Union shall again try to choose an impartial arbitrator. If the parties are still unable to agree upon an impartial arbitrator, the party filing the grievance shall then strike seven (7) names from the combined list and then the other party shall strike six (6) names from the remaining seven (7). The last remaining name shall be the chosen arbitrator. The arbitrator's decision shall be limited to the particular grievance in question and the finding of the arbitrator shall be binding on all parties as well as the employee and/or employees involved.

Section 3. This section shall apply only in the event that a discharge or suspension case is properly brought to arbitration before an arbitrator, and the arbitrator rules that the Company violated this Agreement and then only if the arbitrator also rules that the Company is liable for some back pay. In any such discharge or suspension case, the grievance, whether one or more individual employees or the Union, shall have the obligation to mitigate his, her or their damages by actively seeking employment, even in lower paying jobs, after his, her or their termination and/or suspension, and any such employee or employees may be required to prove the extent that they actively attempted to mitigate their damages,

Section 4. The Union and the Company in writing may expedite the procedure as outlined above in any particular case, and should the Company and the Union decide to settle the grievance at any step above the outlined grievance procedure, the Company and the Union shall have full and complete power and authority to settle the grievance by agreeing to have the grievance withdrawn completely or by any other agreed upon settlement. No settlement of any grievance shall be deemed a precedent or be admissible in any arbitration proceeding.

Section 5. The Company and the Union mutually agree that a condition precedent to the invocation, processing or arbitration of a grievance under this Grievance and Arbitration Procedure is that the Union and/or the employee or employees involved must agree that this Grievance and Arbitration Procedure is the exclusive and sole avenue by which the grievance must be resolved, and should the Union and/or any employee or employees file a charge with a Federal or State agency, the Union and/or such employee and/or employees shall be prohibited from processing or arbitrating any grievance thereunder which is based on the same or similar facts, and this prohibition will void any arbitration award in favor of the Union and/or such employee and/or employees should a grievance be arbitrated and/or an arbitration award be made prior to or after a timely charge is filed with the Federal or State agency.

Section 6. No compensation shall be paid by the Company to any employee or employees for any time spent and/or time lost from work because of the processing or handling of any grievance. Any and all grievances shall be handled without any interruption or cessation of work.

Section 7. Except by written, mutual consent to the contrary, in no event shall more than one grievance be subject to arbitration before the same arbitrator at the same time. The arbitrator shall be empowered only to interpret the provisions of the Agreement as they apply to the particular case at issue, and the arbitrator shall not have the authority, and shall have no power to; add to, subtract from, alter, amend or change any term and/or provision of this Agreement in any way. The arbitrator shall have no authority to alter or change any discipline imposed by the Company or any decision made by the Company unless the arbitrator finds either that the employee did not engage in the conduct or omission for which the discharge or discipline was imposed or that the Company's action was clearly arbitrary and capricious.

Section 8. All of the time limits specified above shall be jurisdictional and shall establish the conditions upon which a grievance shall be processed further. If any of the aforementioned time limits are not complied with, the grievance shall immediately be considered null and void; however, by mutual agreement of the Company and the Union and/or the employee filing the grievance, they may agree to modify or extend any of the jurisdictional time limitations specified above in any particular case.

Section 9. The arbitrator's charge shall be borne equally by the Company and the Union. Expenses of either party, including the witnesses, shall be paid by the particular party involved. The minutes of any arbitration case may be recorded by a tape recorder or by a qualified reporter if either party so requests. The party requesting that the minutes be recorded shall pay the cost of recording of said reporter. If either party desires a copy of the minutes so recorded he shall purchase it at his own expense.

Section 10. If a dispute should arise about the medical capability of an employee to perform his or her job, the dispute shall be settled in accordance with the procedure outlined in Article XI, and in no event shall that dispute or grievance be brought to arbitration under this Grievance and Arbitration Procedure.

Section 11. It is mutually agreed by the Union and the Company that no event which occurred prior to the date of signing of this Agreement can or shall be made the subject of a grievance under this Agreement. It is also agreed by the Union and Company that the Company shall not be required to arbitrate any grievance which is based upon an event or events taking place after the termination date of the Agreement.

ARTICLE XI

PHYSICAL EXAMINATIONS

Section 1. The Company shall have the right at any time to require an employee to undergo a physical or mental examination which may be given to the employee by a qualified medical doctor of the Company's choosing at the Company's expense where it is suspected that such employee is under the influence of alcohol or drugs or in cases where it is suspected that the physical and mental condition of such employee will endanger the safety of himself or others. Testing for alcohol and drugs is to be in conjunction with the Drug Free Workplace Act of 1988, the Department of Transportation Drug Testing Requirements, and Company Standards and Rules of Conduct, as applicable.

Section 2. If the medical doctor chosen by the Company finds that the employee is not physically or mentally fit to work, the opinion of such medical doctor shall be final and binding without either the Union, the Company or the employee being entitled to process or appeal the decision under the Grievance and Arbitration Procedures set forth in Article X of this Agreement.

Section 3. When and if the Government shall require physical examinations, the company will provide them at no cost to the employee. Any employee who desires to have his/her D.O.T. physical performed by his/her physician of personal choice will be required to pay for said examination. The physician must be board certified and licensed to practice in the State of Ohio.

Section 4. The reasonable and customary expenditures associated with compliance to the Homeland Security Act will be a covered expense by the employer.

ARTICLE XII

WORKING CONDITIONS

Section 1. Union personnel working in excess of eight (8) hours a day or forty (40) hours per week are entitled to overtime pay at one and one-half (1 1/2) times their regular rate of pay. Rate of pay is defined as hourly rate without shift differential and without health and welfare benefits.

Section 2. There shall be no pyramiding of premium or overtime pay under this Article or other Articles of this Agreement. Where more than one overtime or premium rate is provided for in this Agreement, only one rate, the highest, shall apply.

Section 3. Employees who are called in during off hours or days off will be paid two (2) hours pay including shift differential, if applicable, and health and welfare benefits.

Section 4. The Company and the Union agree to establish from the bargaining unit a Lead Fuel Operations Specialist, hereafter referred to as the Lead/Controller for second and third shift operations. It is the responsibility of Project Management to make the final selection of the

personnel chosen for this assignment. Personnel interested in this position will bid by seniority and due regard will be given to the education, training, and experience level of the person selected. The selection will be based on seniority amongst those employees possessing the requisite abilities and fitness to perform the work.

When more than one (1) employee is working any eight (8) hour shift and no supervisor is on duty, a temporary lead operator designated by management may be appointed from the bargaining unit to be responsible for the operations and personnel during the period assigned. This leadperson will receive an additional \$1.00 per hour worked. The above is not a rate increase, but straight hourly additional wages for extra responsibility.

Section 5. The Company reserves the right to utilize permanent Leadperson/Supervisors in the Union type classifications under the following conditions: emergency situations, unexpected mission demands, equipment familiarization or training certification, and special refueling/defueling operations required for VIP support. These assignments will not be made for the purpose of denying overtime/part-time hours to Union members. As a general rule and except for extraordinary and emergency conditions, Management will not be permitted to perform Union work while any bargaining unit member is on layoff status.

Section 6. The Company will allow one-half hour for lunch. The lunch period shall be taken between the third and one-half hour and the sixth and one-half hour of the tour of duty.

Section 7. The Company shall notify the employee seven (7) working days or before of any changes in the employee's schedule, except for bonafide emergencies subject to the grievance procedure.

Section 8. Employee counseling sessions will be conducted in private. Counseling shall be used constructively to encourage employee improvement in areas of conduct or performance.

Section 9. The Company reserves the right to utilize Union personnel with specialized experience in the laboratory. This assignment will be up to 12 to 18 months and not to exceed 24 months unless mutually agreed upon by Management and the Union. Further, this assignment will be on a voluntary basis amongst the eligible employees. Certification training and annual recertification training may be required. The Company will make every effort to secure training for eligible employees based upon existing contractual requirements with the Government. On a daily basis on a Monday through Friday work schedule from 0730 hours to 1130 hours, a second person will be assigned to the QCI Lab. Should the lab assignment be completed before 1130 hours the person assigned will be available for calls for service. On occasion, it is understood the the hours may extend beyond 1130 hours. Management will guard against abuses associated with this assignment. When the QCI Supervisor is on vacation, the Lab Assistant will receive Lead pay.

ARTICLE XIII

SENIORITY

Section 1. In applying the principles of seniority as set forth in the Article, seniority shall be the deterring factor where the skill, ability and qualifications to do the job are approximately equal among the affected employees.

Section 2 (a). FULL-TIME EMPLOYEE: A full-time employee shall have seniority from the date of his/her original hire as an employee performing work in the Fuels Management Function at WPAFB. Full-time employees shall retain his/her recognized seniority from the previous employer for the purpose of lay-off, recall, job bidding and vacation. All new hires from this date forward shall have seniority from the date of his/her hire.

Section 2 (b) PART-TIME EMPLOYEE: A part-time employee shall have seniority from the date of his/her original hire as an employee performing work in the Fuels Management Function at WPAFB. Part-time employees shall retain his/her recognized seniority from the previous employer for the purpose of lay-off, recall, and leave. At no time shall a part-time employee bump a full-time employee nor bid for a full-time position. If a full-time bargaining unit position opens, it will be offered to part-time employees according to seniority. The Company reserves the right to schedule hours equally among all part-time employees, on each initial biweekly schedule. If a part-time employee cannot work a scheduled shift, or if additional part-time hours are allocated after the schedule is posted, the additional hours shall be offered to the part-time employees by seniority (most senior to least senior). If no part-time employees can work the scheduled hours, overtime may be offered to full-time employees based on seniority. Part time employees shall not be provided with benefits except as specified in Wage Schedule A.

Section 3. All new employees are employed for a probationary period of ninety (90) working days of service and, during this probationary period, the employee will be evaluated to determine if he or she has the ability, competence and fitness to perform the job to which he or she is assigned and to develop growth potential for higher paying jobs. If the employee fails to demonstrate to the Company his or her ability, competence and fitness to perform the job assigned, he or she may be dismissed and should such employee be terminated prior to the completion of his or her probationary period, neither he or she nor the Union shall have any right to contest or question his or her termination under the Grievance and Arbitration Procedure of the Agreement. After the satisfactory completion of any employee's probationary period, such employee shall be considered a regular employee and shall accrue length of service from the date of his/her hire.

Section 4. For the purpose of this section, employees being laid off or reduced in force will be given at least two (2) weeks notice of the layoff or RIF. Affected employees will be required to work the final week or will be given pay at their normal rate of pay, including shift differential, if appropriate, in lieu of being returned to work. Any reduction in force will be done on a seniority basis by laying off the least senior employee first. Recall will be by inverse order of layoff.

Section 5. An employee's seniority will be broken if the employee quits, fails to accept an offer of employment by a successor contractor, is discharged for just cause, has been laid off for a period of twenty-four (24) consecutive months from the bargaining unit, is transferred to a position outside the bargaining unit, or who fails to return to work within five (5) workdays after having been notified by the company by certified mail to the employee's last known address, unless a satisfactory reason is given and approved by the Company and Union.

Section 6. The reduction in the number of employees in a classification is a reduction in force. An employee affected by a reduction force will be required to exercise his or her seniority to bump the least senior employee in a classification equal or lower rate, or in a previously held higher rated classification which such employee is determined by the Company to be qualified.

Section 7. Promotions will be based on the ability, fitness, competence, length of service and overall contribution to the Company's operations of the employee or employees under consideration..

Section 8. Upon receipt of a telephone recall or other notice, the laid off employee shall accept recall and he or she must report to work ready, willing, and able to work, unless excused by the Company in writing, within seven (7) days after he or she has been notified of recall or within seven (7) days from the date of mailing of a certified letter to the employee's last known address and, failing this, the employee shall be deemed to have resigned and shall lose all length of service, benefits, recall and other employment rights. The employee's last known address on the Company's records will be his or her address for notification purposes. Employees shall have the obligation to keep their current address and telephone number up-to-date on the Company records.

Section 9. A regular, full time employee's length of service (length of service being defined as the total length of a full time, regular employee's most recent continuous employment by the Company) and vested benefits will be lost whenever such employee quits or resigns, dies, is discharged for cause, accepts other employment during an approved leave of absence, overstates an approved leave of absence without prior written permission from the Company, is laid off for a period exceeding two (2) years without being recalled, or fails to return to work ready, willing and able to work after being recalled or takes a job in the WPAFB fuels management outside the bargaining unit for a period of six (6) months on a one-time basis.

Section 10. If a former employee is rehired by the Company following his or her resignation, termination or loss of employee status, he or she shall be considered a new employee at the time of rehire. Upon request of the Union, a list of employees, their dates of hire and other pertinent employee information shall be submitted to the Union, but no more often than once each six (6) months.

Section 11. On January 1 of any year that a contract remains in effect, all classifications will be required to select shifts for the contract year on the basis of seniority. Days off will be rotated within a shift every two (2) to six (6) months at the discretion of management. Any new shift shall be offered in line of seniority.

Section 12. A vacancy in a classification which the Company reasonably determines will last for sixty (60), eight (8) hour workdays or less will be considered to be temporary vacancy and may be filled by the Company without regard to the seniority or classificabon of the employee assigned to fill such temporary vacancy. Such a temporary vacancy may exceed sixty (60)

eight (8) hour workdays if mutually agreed upon by the Company and the Union or if it is caused by an employee being on vacation or on leave of absence of 120 calendar days or less. Any other vacancy will be considered to be a permanent vacancy for the purposes of this Article.

Section 13. For purposes of this Section, employees will be strongly encouraged by the Company to learn all aspects of fuel operations. The Company will provide extensive cross-training opportunities on-the-job to increase the employee's value to the Company, to relieve boredom, and to enhance the employee's abilities and self-image. Employees may be cross utilized where the employees are cross-trained, to ensure proficiency and to maximize utilization of personnel for purposes of contractual compliance with the Air Force. Employees may submit a written request to his or her supervisor for training in other work areas if training is accomplished at no expense to the Company.

ARTICLE XIV

WORKWEEK, HOURS OF WORK AND PAY

Section 1. Effective October 1, 2003, the Employer shall pay to the several classes of employees wages in accordance with the schedules of minimum rates and wages annexed hereto and made a part hereof and marked Wage Schedule A.

Section 2. Effective October 1, 2003, employees who work the majority of their hours on second and third shifts, shall in addition to regular straight time earnings, receive a shift differential of \$.80 per hour for FY 2004, \$.85 per hour for FY 2005, and \$.90 per hour for FY 2006 for all hours worked by each employee in accordance with Wage Scale Schedule A annexed hereto.

Section 3. The payroll workweek consists of seven (7) consecutive twenty-four (24) hour days beginning on Saturday of each week at a time designated by the Company. The usual workday for employees when actually worked will be eight (8) hours. Within the terms of the Agreement, 'work day' and 'working day' refer to the individual's scheduled work day since the job site operates seven days a week. Therefore, an employee's work day may be different from another employee's work day by virtue of scheduling but every employee's work week is the same (i.e., Monday through Sunday).

Section 4. It is agreed and understood that because of the nature of the Company's business, employees are required on a twenty-four (24) hour basis and the Company may require employees to work more than twelve (12) hours. If little notice is given of shift extension requirements, overtime will be offered to the most senior person from the current shift (up to four hours). If the demand is expected to continue, part time employees will be scheduled. The Company reserves the right to expand and contract mission requirements, to the maximum extent possible. Each part timer will be scheduled equal hours. All hours scheduled after the initial biweekly schedule is posted, will be bid based on part time seniority. Part time employees cannot bid for shifts, but may bid for unscheduled part time hours or when another part time employee is unable to work over 40 hours in a week, except in extreme emergencies. Overtime will be offered to full time employees based on seniority as noted above.

Section 5. The Company will post starting times and will be bid by seniority. They may change at the discretion of the government contracting or the Company at which time the starting times will be rebid. Bids will not exceed one year in duration. This does not include temporary split shifts.

ARTICLE XV

VACATION

Section 1. Two (2) weeks (80 hour) of paid vacation time will be credited to each active full-time employee in accordance with the Wage Determination issued under the Service Contract Act. Three (3) weeks (120 hours) of paid vacation time will be credited to each active employee for eight (8) years of service and four (4) weeks (160 hours) for fifteen (15) years of service. Five (5) weeks of paid vacation will be credited to each employee for twenty (20) years of service.

Section 2. For the purpose of paid vacation time, an employee's continuous service will start with his or her date of hire, or date he or she first reported for work with the Company or with a previous contractor, whichever is earlier, and continue until the employee is severed from the payroll with the following exceptions:

(1) Military Service. If an employee leaves the organization to join the Armed Forces of the United States because of induction or voluntary enlistment, and at a subsequent date is rejected or honorably discharged and returns for employment within a reasonable length of time not to exceed ninety (90) days, his or her employment will be computed from the date of initial hire, deducting only the time he or she was absent.

(2) Compensation Cases. Employees who are away from work because of an injury sustained on the job, and who are drawing Workers Compensation, shall be considered in continuous employment for vacation purposes during the time of incapacity.

(3) Rehires. If a severance is initiated by the Management due to a reduction in force and the employee is rehired within a period of two (2) years from the date of severance, the continuity of employment will be considered unbroken, but the time not worked will be deducted.

(4) Leave of Absence. If a final severance has not been issued, there will be no break in the continuity of service; however, the period of leave of absence will be deducted and vacation will be pro-rated accordingly based on 2,080 hours.

Section 3. When an employee takes his or her vacation, such employee will be paid at his or her regular hourly rate of pay at the time the vacation is taken, excluding any shift differential. (Note that shift differential is not paid on holiday or sick leave pay but is paid on bereavement, jury duty and military leave). Such employee will be paid forty (40) hours pay for each full week of vacation taken. If vacation is taken in less than one (1) full week increments, an

employee regularly working eight (8) hours per day will receive eight (8) hours pay for a day of vacation.

Section 4. Vacation is considered an increment of employment. It is to be paid in full in the event of severance from the payroll or death of the employees. If less than a year, will be prorated in case of death or separation.

Section 5. Vacation schedules shall be arranged to comply with the employee's wishes to the extent practicable; however, the final vacation schedules shall be at the discretion of the Company to insure continuous and efficient operations.

Section 6. A vacation schedule shall be posted by January 31 of each calendar year. Vacations selected prior to the January 31 posting shall be awarded by seniority. Vacations selected after the January 31 posting shall be awarded on a first-come, first-served basis.

Section 7. It is expected that each employee will take his or her vacation each eligible year.

Section 8. Although it is not expected that there will ever be such a shortage of available employees as to prevent each employee from taking his or her vacation some time during the calendar year, if this should occur the Company may, at the Company's discretion and upon agreement with an affected employee, pay such employee for part or for all of his or her accumulated vacation or allow said vacation to be carried over.

Section 9. Ordinarily, an employee will be expected to schedule with the Company in advance vacation of one full workweek or more; however, an employee may take vacation time in increments of one workday or less, but not less than two hours upon receiving prior approval from his or her supervisor before taking any such vacation time. An exception to the requirement of getting prior vacation time will be made if the employee provides proof that his or her failure to get such prior approval was the result of an emergency requiring the employee to be absent from work and that a request for approval of such vacation time could not reasonably be made in advance. Failure to get prior approval or provide the required proof in the absence of such time off, the Company may take such action as may be appropriate under the Rules of Conduct for Employees.

ARTICLE XVI

SICK LEAVE

Section 1. Effective October 1, 2003, the Company agrees all present employees can accrue a maximum of ten (10) sick days (80 hours) per year. Accrual to be earned at the rate of twenty (20) hours immediately and five (5) hours per month thereafter until the maximum is reached. Accrued sick leave may be carried over or paid at the applicable hourly rate at the end of each Government contract anniversary date. Use of carry over hours will be paid at the previous years hourly rate. New hires shall receive five (5) hours per month sick time after his or her ninety (90) day probationary period for a maximum of ten (10) days each government fiscal year. Employees terminated for just cause during the year will not be receive pay for any accumulated sick leave. Employees terminated during the year will not receive pay for any accumulated sick leave. No employee on Workers Compensation, leave of absence, or layoff shall accrue any sick leave.

Sick Leave will be granted in hourly increments. Subject to mission requirements, sick leave will not be unreasonably denied.

ARTICLE XVII

FUNERAL LEAVE

Section 1. In case of the death of a member of the immediate family, set forth below, of an employee having three (3) months or more continuous service, the Company will grant paid bereavement leave up to three (3) working days or four (4) days for travel over five hundred (500) miles.. No employee on leave of absence or layoff shall receive any paid bereavement. Such hours paid for as funeral leave will be considered hours worked for the purpose of computing overtime. For the purpose of determining eligibility for the foregoing benefit, an immediate member of the family will be limited to the employee's father, mother, foster parents, mother-in-law-, father-in-law, spouse, children, step-children, brother, sister and grandparents.

Section 2. Part time employees will receive funeral leave but will be reimbursed only for lost wages and benefits.

ARTICLE XVIII

JURY DUTY

Section 1. Each employee covered by this Agreement who is called for service on any Grand Jury or Petite Jury shall, after furnishing to the office of the Company, a certificate in evidence of his or her jury service, be paid for each day up to ten (10) days each fiscal year which he or she serves upon said jury, a sum equal to his or hers straight time earnings not to exceed eight (8) hours on each day. No such payment will be made to an employee for jury service on any day which, in accordance with his or her regular work schedule, he or she would not have

worked for the Company. Such jury service time will be considered time worked for the purpose of computing overtime.

ARTICLE XIX

MILITARY LEAVE

Section 1. An employee who has satisfactorily completed his or her probationary period after being hired and who is called for training duty in the National Guard or any of the Reserve units of the United States Armed Forces will be paid the amount, if any, by which his or her daily straight time earnings with the Company exceed his or her daily pay from such National Guard or Reserve unit duty on the following basis:

An employee regularly scheduled to work five (5) days per week, eight (8) hours per day, will receive a sum equal to his or her straight time earnings for eight (8) hours, less the amount paid to him or her for the day of military training service. An employee will receive no such pay for any day during which in accordance with his or her regular work schedule he or she would not otherwise have worked for the Company. Such military pay will not exceed ten (10) eight (8) hour working days in any anniversary year.

Employees in the Reserve or National Guard who are required for training (weekend duty, fly-a-ways) will provide to management a written notice thirty (30) days in advance of the scheduled dates and they will be scheduled off. The notice will include address and telephone number where employee can be reached during such training.

ARTICLE XX

HOLIDAYS

Section 1. The following holidays are recognized: New Years Day, Martin Luther King Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Washington's Birthday, Columbus Day, Veterans Day, Christmas Day and the Employee's Birthday.

Section 2. A recognized holiday falling on Saturday will be celebrated on Friday, a recognized holiday falling on Sunday will be celebrated on Monday, Christmas Day falling on Saturday will be celebrated on Friday and Christmas Day falling on Sunday will be celebrated on Monday. All other recognized holidays will be celebrated on the date of each holiday.

Section 3. An employee to be eligible for holiday pay must come to work his or her regularly scheduled workday preceeding and following the celebrated holiday.

Section 4. An employee who is required to work on a celebrated holiday but fails to report for and work on such celebrated holiday will not receive holiday pay. Each employee may negotiate with Company management for the specific desired day off. Company management has full authority for the work requirements and the final decision related to holiday schedules.

Section 5. An employee who has been absent from work for a period in excess of thirty (30) calendar days because of pregnancy, illness or injury, either occupational or non-occupational, will not receive holiday pay. An employee will not receive holiday pay for a holiday celebrated while such employee is suspended from work for disciplinary reasons, or while such employee is on military leave of absence or on a voluntary leave absence for any cause including Union leave. A properly excused absence of four (4) work days or less which has been granted to an employee by his or her supervisor will not be considered to be a voluntary leave of absence for the purpose of this section of the Agreement. An employee will not receive holiday pay for a celebrated holiday occurring after his or her date of termination.

Section 6. Eligible employees will receive holiday pay as follows: An employee regularly scheduled to work five (5) days per week, eight (8) hours per day, will receive eight (8) hours straight time pay for a celebrated holiday on which he or she performs no work. If such employee works on such celebrated holiday, he or she will receive time and one-half pay for all hours worked plus eight (8) hour straight time pay for such celebrated holidays.

ARTICLE XXI

GROUP INSURANCE

Section 1. Effective October 1, 2003, the Employer shall contribute to the Ohio Conference of Teamsters & Industry Health and Welfare Fund (the "Fund") up to a maximum of \$185.00; October 1, 2003 through September 30, 2004, the Employer shall contribute to the Fund up to a maximum of \$210.00; October 1, 2004 through September 30, 2005, the Employer shall contribute to the Fund up to a maximum of \$230.00; October 1, 2005 through September 20, 2006. Should the group insurance rates be higher than specified above, the difference shall be paid by the employee in pre tax dollars. If the group insurance rates are lower than the above specified amounts, the Employer shall pay only the lower rate.

If an employee is absent because of illness and is not eligible for Sick Leave as provided in Article XVI herein or, the employee is absent because of injury on the job, or because the employee is on a leave of absence, and the employee is not eligible for or has exhausted all benefits provided in Section 5 of this Article, the Employer will continue to make the weekly contributions on behalf of the employee, provided the employee reimburses the Employer his or her portion of the sum paid to the Fund by the Employer.

Section 2. By the execution of this Agreement, the Employer subscribes and becomes a party to the Trust Agreement of the Fund, and agrees to be bound by action taken by the Trustees of the Fund now serving or who may serve in the future, hereby expressly waiving all notice and ratifying all action or to be taken by the Trustees with the scope of their authority, including the assessment of reasonable interest, liquidated damages, and attorney fees in the event of an Employer delinquency. Any and all obligations of United Paradyne Corporation during the life of this Agreement will terminate when this Agreement is no longer in affect or United Paradyne Corporation ceases to be the employer of record for the employees covered by this Agreement.

Section 3. Notwithstanding anything to the contrary in this Agreement, the Employer agrees that in the event it is delinquent in the payment of its contributions to the Fund in accordance

with rules and regulations of the Trustees of the Fund, after the appropriate representative of the Union shall have give seventy-two (72) hours notice of such delinquency, the employees or their representative shall have the right to take legal action as required.

Contributions shall be due and payable no later than the tenth (10) day of the month following the month in which work is performed and shall be delinquent if not received at the Fund office by the twentieth (20th) day of the month following the month in which work is performed. The Employer agrees that the Fund may, from time to time, perform payroll audits of the Employers contributions and reports. All requests for audits must be coordinated at least two weeks in advance with UPC's Director of Finance.

Section 4. If at any time during the term of this Agreement, or any renewal or amendment thereof, there shall be enacted any Federal or State law or regulation requiring the Employer to secure, provide or pay for welfare or insurance benefits or coverage of the type being provided by the Fund may have to be varied in compliance with such law or regulation. If such law or regulation does not permit the Fund to assume the discharge of the Employers obligation, the Employer may, upon thirty (30) days written notice to the Union, reopen this Agreement solely for the limited purpose of reviewing the amount of Compahy contributions to the Fund.

Section 5. If an employee has applied for and is eligible they will be granted benefits under the Family and Medical Leave Act (FMLA) of 1993 as amended, the Employer shall provide employee health benefits for up to 12 workweeks in a given 12 month period. If an employee is unable to work due to a work related injury, the Employer shall provide an additional 12 weeks of health benefits to the employee in the same 12 month period. Insurance benefits and rates applied to the work related injury extended coverage will be the same as those provided for in the FMLA.

ARTICLE XXII

LEAVES OF ABSENCE WITHOUT PAY

Section 1. In accordance with Section 701(k) of Title VII of the Civil Rights Act of 1964, as amended, by Public Law 95-555, effective October 31, 1978, a female employee affected by pregnancy, childbirth or related medical conditions will be treated the same for all employment related purposes, including the receipt of benefits under fringe benefit programs, as other employees not so affected but similar in their ability or inability to work. Accordingly, a female employee is entitled to leave of absence for pregnancy, childbirth or related medical conditions on the same basis as an employee who must be absent from work because of an illness or injury as provided for in this Article.

Section 2. An employee who must be absent from work because of his or her illness or injury will be granted a leave of absence not to exceed sixty (60) calendar days upon the recommendation made by the employee's physician. Such leave of absence may be renewed for successive periods not to exceed sixty (60) calendar days each. The Company may, in the exercise of reasonable discretion, require verification of an employee's claim of illness, injury or disability by a written report from the employee's attending physician or by a written report of an examination of the employee by the Company's physician, and/or both. Such leave of

absence may be terminated at any time upon the recommendation of the Company's physician.

Section 3. Upon approval of the Company's authorized representative, an employee may be granted a leave of absence not to exceed sixty (60) calendar days because of urgent personal reasons. Such an employee will not be permitted to accept employment elsewhere or to organize and operate his or her own business while on such leave of absence. Such leave of absence may, for good cause shown, be extended by the authorized representative.

Section 4. An employee who becomes an active member of the armed forces of the United States will be placed on an approved leave of absence, and upon completion of such active duty, such employee will be entitled to all the re-employment rights provided for by law.

Section 5. An employee may, at the request of a contracting union, be granted a leave of absence to take care of Union business. The Company will not unreasonably refuse such a request for leave of absence, but ordinarily a request for such leave of absence must be made at least one week before such leave is to be taken, and an employee whom the Union wants to be off from work on Union business frequently may be required to take an extended leave of absence. An employee, while on such leave of absence, will not receive compensation from the Company and, if such leave of absence exceeds thirty (30) calendar days, the insurance benefits for such employee provided in this Agreement will not be continued thereafter unless the employee or the contracting union involved pays to the Company each month, in advance, the full cost of insurance benefits.

Section 6. An employee on leave of absence will maintain and accrue seniority.

Section 7. The Company agrees to provide benefits in accordance with the Family and Medical Leave Act of 1993, as amended, if eligible.

ARTICLE XXIII

PAY IN LIEU OF NOTICE OF TERMINATION

Section 1. It is the intent of the Company to give employees as much notice as possible of any impending reductions in force which affect them. In no case will such notice be less than five (5) eight (8) hour workdays provided, however, that should the Company for any reason fail to provide employees who are to be terminated because of a reduction in force a full five (5) eight (8) hour work day advance notice of such reduction in force, the Company will pay eight (8) hours at the regular hourly rate in lieu of such notice for each day up to and including five (5) eight (8) hour work days, for which such advance notice is not given. Should the Company for any reason fail to provide part time employees who are to be terminated by a reduction in force a full five (5) eight (8) hour work day advance notice of such reduction in force, the Company will pay one week wages, based on the employee's average hourly work week, for which such advanced notice is not given. For example, if a part time employee works an average sixteen hour work week, then the employee will receive wages based upon sixteen hours at the employee's regular hourly rate. If such notice of intended layoff is posted and an affected employee is allowed to continue to work beyond the date of his or her scheduled layoff, the Company may place such employee on layoff at a later date, not to

exceed fifteen (15) calendar days, without again posting such notice and with paying the employee for any time in lieu of notice.

Section 2. Posting on appropriate bulletin boards and furnishing to the Union lists of employees to be terminated will be considered as notice of reduction in force.

Section 3. For the purpose of this Article, the cessation of work for an employee or a group of employees for a period up to and including five (5) eight (8) hour work days will ~~not~~ be deemed a reduction in force. For employees who are absent from work when notification takes place, the initial date of notification will begin with the date of return to work.

ARTICLE XXIV

SAFETY AND SANITATION

Section 1. The Company and the Union will cooperate to the fullest extent to promote SAFETY in the operation of the facility.

Section 2. The Company will comply with the Federal laws and regulations which are applicable to the Company's operations, and the Union will cooperate fully with the company in such compliance.

Section 3. The Company will furnish and maintain adequate sanitary facilities conveniently located for the use of each employee or provide the employee with transportation for such adequate sanitary facilities.

Section 4. The Company will give careful consideration to any suggestion or recommendation made by an employee or by the Union for the improvement of safety and sanitation at this project; however, the company has the primary responsibility for such safety and sanitation and will exercise its reasonable discretion in all such matters.

Section 5. The Company will furnish all employees whose type of work requires it, certain items of safety and protective clothing, such as ear guards, safety gloves, (i.e, LOX and liquid oxygen), one (1) heavy winter jacket with hood and one (1) light weight jacket, ANZI approved safety shoes, including uniforms consisting of seven (7) pants and seven (7) shirts. Three (3) coveralls will be furnished for the life of the contract. These uniforms and coveralls are to be furnished by the Company and laundered by the Company including other types of special clothing or equipment which has been determined by the Company and the Union to be required to protect the safety and health of the involved employees. The Employer shall provide each employee \$90.00 for FY 2004, \$100.00 for FY 2005, and \$110.00 for FY 2006, towards required footwear to be replaced as needed. All winter head gear shall be supplied by the Company. All said items to be replaced when determined by management to be nonserviceable. Part-time employees will be provided with three (3) pants, three (3) shirts and one (1) set of coveralls, ANZI approved safety shoes , one (1) heavy jacket with hood, and one (1) light weight jacket.

Section 6. The two (2) person policy will be per Air Force directives. Pipeline receipts will have an employee within the immediate area. The Controller/Supervisor will not be considered the pipeline employee.

ARTICLE XXV

SEPARATE BARGAINING UNIT MAINTAINED

Section 1. This contracting Union has been certified by the National Labor Relations Board as the exclusive representative for the purposes of collective bargaining with respect to wages, rates of pay, hours of employment and other working conditions for a specific unit of employees employed by the Company at Wright Patterson Air Force Base, Fairborn, Ohio. This contracting Union represents only the employees included in the unit certified by the National Labor Relations Board and this contracting Union hereby contracts only for the employees it so represents.

ARTICLE XXVI

D.R.I.V.E

Section 1. The Employer agrees to deduct from the paycheck of all employees covered by this agreement voluntary contributions to DRIVE. DRIVE shall notify the Employer of the amounts designated by each contributing employee that are to be deducted from his/her paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any work other than a week in which the employee earned a wage. The Employer will transmit to DRIVE National Headquarters on a monthly basis, in one (1) check, the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee's social security number and the amount deducted from the employee's paycheck. The International Brotherhood of Teamsters shall reimburse the Employer annually for the Employer's actual cost for the expenses incurred in administering the weekly payroll deduction plan.

ARTICLE XXVII

TERM OF AGREEMENT

This Agreement shall become effective as of October 1, 2003 and shall continue in effect through September 30, 2006 and thereafter renew itself automatically for a period of one (1) year unless either party serves written notice upon the other party not less than ~~sixty~~ (60) days before the end of the initial period or any subsequent period of its desire to terminate or modify this Agreement.

The Union expressly acknowledges and agrees that the Company is performing its services at Wright Patterson Air Force Base Ohio, under a government contract with the United States Air Force, and that in the event the Company's contractual relationship with the United States Air Force at said bases should terminate, the Company shall be relieved of all further obligations under this Agreement.

In witness Whereof, UNITED PARADYNE CORPORATION and Teamsters Local Union No. 957 have each caused this Agreement to be executed for and in its name by its proper officials hereunto duly authorized on this first day of October, 2003.

UNITED PARADYNE CORPORATION

TEAMSTERS LOCAL UNION NO. 957

*Affiliated with the International
Brotherhood of Teamsters*

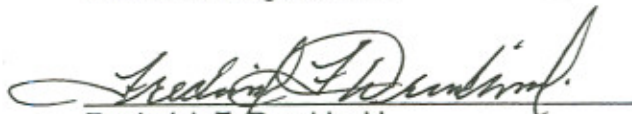
United Paradyne Corporation

Teamsters Local Union NO. 957




Joseph P. Henderson, Director

Dated: 27 August 2003



Frederick F. Dembinski
Program Manager


John D. Burns, Vice-President

Dated: 27 August 2003



Douglas C. Lieurance
Steward


Alfred Langdon
Assistant Steward

WAGE SCHEDULE A

Union Classification	Rate Hourly 10-1-03	Rate Hourly 10-1-04	Rate Hourly 10-1-05
<u>Fuels Specialist</u>	\$ 20.03	\$ 21.03	\$ 22.19
	Pension Hourly 10-1-03 \$ 1.10	Pension Hourly 10-1-04 \$ 1.20	Pension Hourly 10-1-05 \$ 1.30

NOTE:

The above pension money will be forwarded to the employee developed Individual Retirement Account (IRA) or employee pension establishment, or 401(k) program at the employee's discretion. The Company will forward the authorized pension accounts to the funds collection libation, determined by the Union members. Pension is paid on all hours worked.

The pension rate does not include part-time employees. Fringe benefits for part-time employees will be \$2.56 per hour. No other fringe benefits other than the \$2.56 per hour will accrue to part-time employees except as noted herein. Part-time employees will receive eight (8) hours vacation per year of sequential service with the contract. If the Government provides Department of Labor (DOL) Wage Determination employees increases more than \$2.56 hourly subject to renegotiation at the time of occurrence. This is applicable for the life of the contract.

The below listed work positions are considered non-union and the basic wage rates must be determined by the Department of Labor under the Service Contract Act.

- Quality Control Supervisor
- Accountants
- Administrative Asst./Secretary
- Fuels Operations Supervisor
- Laboratory Technician